

■ STPUD PIPELINE

Down the drain

By Andy Bouelle
Tribune Staff Writer

Board directors of the South Tahoe Public Utility District were not happy Thursday.

STPUD directors canceled the 1999 construction of the district's recycled water export pipeline.

"I have lost my faith in our democratic form of government ... the will of the people can be stomped on by the bureaucracy," said Chris Strohm, the board's vice president. "It's a sad day."

—The district gave the U.S. Environmental Protection Agency until 2 p.m. Thursday to come up with a proposal suitable for the district on how to pay it \$7.15 million for its pipeline project. At 2 p.m. the district received no guarantee of the money, and at 3:30 p.m. — after more than an hour of discussion — the board voted to cancel Phase 3 of its export pipeline project.

"This is a tough vote for me to make ... we're putting the breaks on an extremely important environmental aspect of this community," Strohm said.

STPUD has spent the past few years working to replace its recycled water export pipeline, which carries 1.7 billion gallons of recycled water 26 miles to Alpine County each year, where it irrigates more than 2,000 acres of ranch land. Originally built in the 1960s, under mandate to pump wastewater out of the basin, the pipeline had experienced breaks and spills.

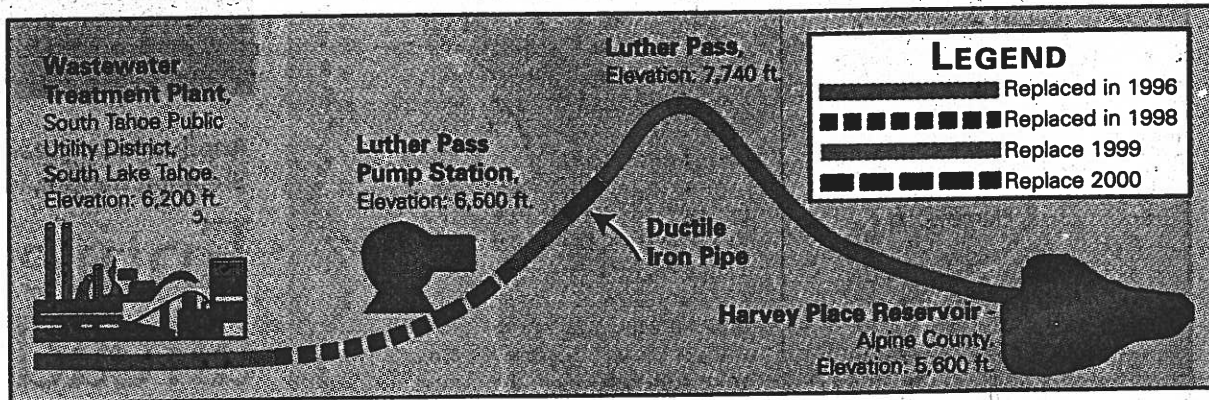
Stemming from the 1997 Presidential Summit at Lake Tahoe, \$7.15 million was appropriated by Congress in October 1997 to go to STPUD to

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Chris Morris/Tahoe Tribune

Without EPA funding, the time line for STPUD's pipeline project will be greatly extended.

Pipeline

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help for the construction of the new pipeline the district had already spent millions of dollars on.

Because of that, STPUD borrowed \$5 million last summer to go ahead with Phase 2.

The district has spent about \$22 million on the project, and, according to the district, the money STPUD has already spent was to be used for STPUD's 45-percent financial match to the \$7.15 million grant.

The EPA did not see it that way and has maintained that would be a significant deviation from its normal procedure.

Negotiations between the EPA and STPUD have been ongoing for weeks, culminating in a conference call Thursday morning between STPUD, EPA and representatives for the congressional supporters of the bill appropriating the money: Sens. Harry Reid, Barbara Boxer and Dianne Feinstein and Reps. John Doolittle and Jim Gibbons.

Still, no resolution was reached.

Rhonda McFarlane, STPUD director of finances, said negotiations could continue with EPA but suggested the district cancel the phase because no agreement had been reached.

"It's my opinion we do not go forward ... I would feel extremely uncomfortable without having this resolved," she said.

The vote was 4-0; Jim Jones, the board's president, was not present.

The EPA was unhappy to hear about the vote to stop the pipeline but is hopeful a resolution can be reached.

"The agency, EPA, is very disappointed they have

decided to cancel construction for next year," said Ken Greenberg, a member of the EPA's Lake Tahoe project team, in a telephone conversation after the meeting. "I can say that from a standpoint of protecting the basin, I know the district feels that, too."

Greenberg stressed that the EPA offered STPUD \$9.65 million — the October 1997 appropriation and a 1998 \$2.5 million congressional appropriation — with a large sum up front and reimbursement for a significant amount of work after that.

However, board member Duane Wallace said the EPA's deal — "the same gift with a different wrapping" — would require STPUD to pay a significant amount of money after the \$9.65 million was gone.

The original promise of the EPA would not have done that, he said.

"The bottom line is this offer will not finish the pipeline," he said. "What they originally promised would."

John Martini, field representative for Doolittle, said over the phone after the meeting that the congressman is upset the project has been put on hold.

"Congressman Doolittle is bewildered by the position being taken by the EPA," he said. "It comes as a complete question mark as to why the district has had to experience this much effort to get the EPA to live up to promises it admits it made."

Members of the district have said these problems suggest there may be a sad fate for the rest of the commitments stemming from the presidential summit.

Greenberg disagreed.

"I really strongly have to take exception to that. That just simply isn't true," Greenberg said. "There's a lot more going on in addition to the pipeline, a lot of good stuff. We are committed to the Tahoe Basin."

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Go Ken!